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# Policy Performance and Governance Capacities in the OECD and EU: Sustainable Governance Indicators 2016

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Bertelsmann Stiftung

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# Policy Performance and Governance Capacities in the OECD and EU

Sustainable Governance  
Indicators 2016

## Contents

|    |                                     |
|----|-------------------------------------|
| 3  | Foreword                            |
| 4  | Measuring Sustainable Governance    |
| 8  | Policy Performance                  |
| 12 | Democracy                           |
| 14 | Governance                          |
| 16 | Rankings                            |
| 18 | SGI Website                         |
| 22 | Methodology                         |
| 24 | Survey Structure                    |
| 25 | SGI Board and Regional Coordinators |
| 26 | Resources                           |

The fifth edition of the Sustainable Governance Indicators (SGI) is being issued this year. Having published the previous editions every two to three years, last year we decided to update our data annually in the interests of ongoing monitoring. The 2016 SGI are the second edition to be based on the new annual data collection process.

The transition to an annual procedure will make it possible to perform subject-specific analyses at short notice, based on the SGI data. The objective is also to identify the challenges of sustainable policy-making and to lay bare and compare successes and failures. This will give the debate surrounding good governance and sustainable political results sound foundations based on data.

Our intention is also to highlight examples of successes and governance innovations, and to initiate international learning processes, acting in accordance with our founder Reinhard Mohn's guiding principle of "learning from the world." Many countries belonging to the OECD and the EU now apply the SGI to their own performance management, thus breathing life into Reinhard Mohn's central idea.

While it would appear that many OECD and EU countries have gradually overcome the global economic and financial crisis, there are a number of developed countries that still face major challenges and social upheavals as a result of the crisis. In the crisis-hit countries of southern Europe in particular, the social situation remains extremely alarming. In addition, OECD and EU countries are facing the challenge of global migration – an issue that is handled very differently from country to country. Last year, developments in Europe were dominated by the largest flow of refugees since the Second World War, and this posed some serious challenges to the continent's governance systems. Tragic instances of terrorism also compel countries to seek new ways in which to deal with this threat. We cannot, however,

allow ourselves to fall for the seemingly simple solutions to overcoming such challenges as offered by populists. Rather, we need to identify innovative concepts, compare and contrast them, and explore the possibilities of transfer between them. This is the purpose that the SGI are destined to fulfill once again this year.

We examine OECD and EU member states on the basis of our three indicators: Policy Performance, Governance, and Quality of Democracy. The Nordic countries, Switzerland, and Germany are the most successful countries in terms of sustainable policies.

The strong performance of Estonia in the Policy Performance index, being ranked seventh right behind Germany, cannot be overlooked. The main reasons behind this strong position are the country's sustainable budgetary policy and its very good education system. The majority of the OECD and EU countries recovered somewhat economically over the period under review (November 2014 to November 2015). We focus here in particular on the crisis-hit countries in Europe in which the structural reforms pushed through in recent years have begun to bear fruit. Greece still brings up the rear in our country comparison due to its dramatic social and economic situation.

The northern European countries also clearly lead the way in the Governance index, although New Zealand's governmental system likewise boasts strong strategic capabilities and long-term orientation. The situation is rather different in the last-placed countries Romania, Greece, and Cyprus. Last but not least, the picture is much the same in the Democracy index, with the Scandinavian countries performing very well, while there is the greatest room for improvement in Romania, Turkey, and Hungary. The SGI can hopefully serve as a useful source of best practices for these countries in particular, as they offer a wealth of data that can be put to use in the areas of politics, science, and media.



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Senior Director Program  
Shaping Sustainable Economies

**SGI** Sustainable  
Governance  
Indicators

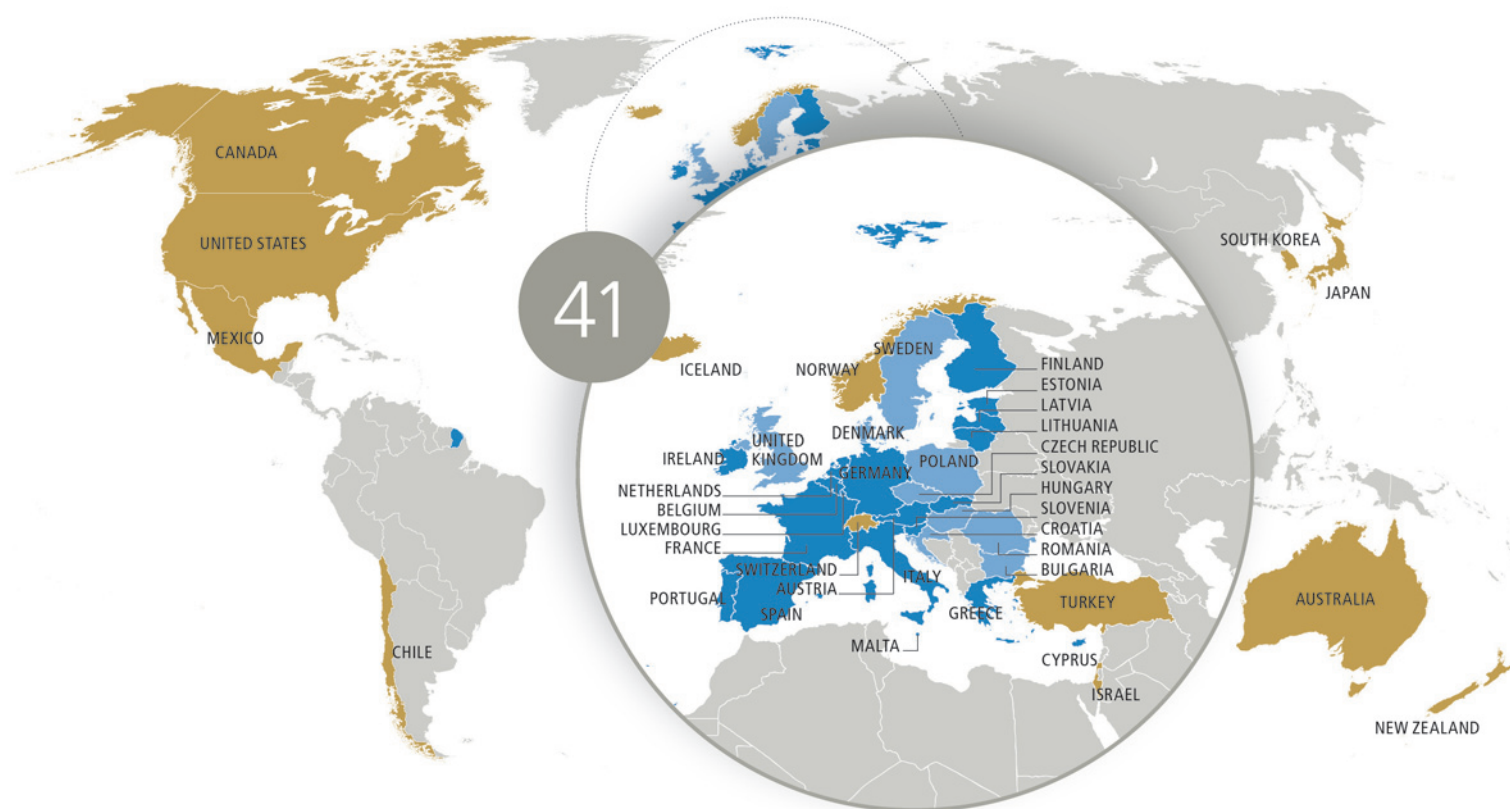
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## Sustainable Governance Indicators

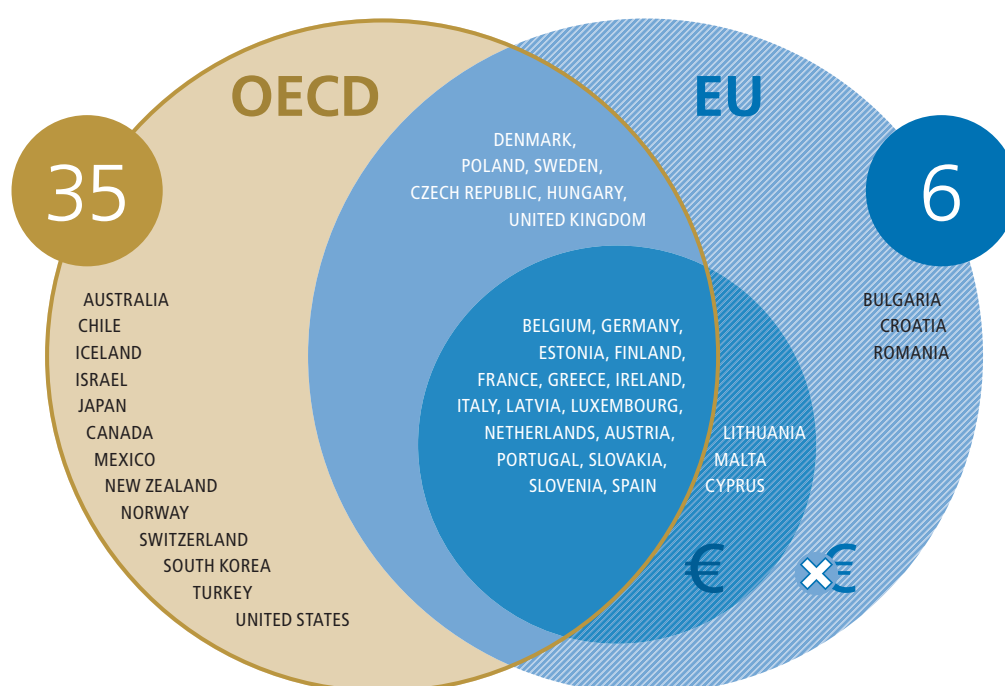
# Measuring Sustainable Governance

The Sustainable Governance Indicators (SGI) address one of the central social-policy questions facing the highly developed states of the OECD and the European Union at the outset of the 21st century: How can we achieve sustainable policy outcomes and ensure that political decision-making target long-term objectives?



Challenges such as economic globalization, social inequality, resource scarcity and demographic change, each of which cut across policy sectors and extend beyond national boundaries, require policymakers to adapt rapidly and learn from the examples of others. Ideally, governments should act with long-term consequences in mind. This involves generating policy outcomes

that maintain or improve the quality of life for present and future generations without placing an unfair burden on future generations. This also means governments need to safeguard the long-term health of their societies' economic, social and environmental systems. However, long-term thinking of this nature is currently rare. Most governments tend instead to



## INFO

**[www.sgi-network.org](http://www.sgi-network.org)**

The entire set of results and each country report are available for direct use or download on our interactive website.

> Website, page 18

act with the short term in mind. Mounting public debt, the unequal allotment of participation opportunities and the wasteful exploitation of natural resources have significant negative implications for present and future generations, thus imperiling the overall sustainability of OECD and EU states. Taking stock of these problems, the Sustainable Governance Indicators project

aims to support OECD and EU governments' capacity to act with the long term in mind, thereby achieving more sustainable policy outcomes.

The SGI function as a monitoring instrument that uses evidence-based analysis to provide practical knowledge applicable to the daily work of policymaking. The SGI thus target the spectrum of those



The SGI provide political decision-makers, civil society actors, policy professionals, scholars and interested citizens alike an effective monitoring tool.

The SGI provide an itemized comparison of policy outcomes in 41 states that draws upon a customized catalog of indicators.

individuals who formulate, shape and implement policies, from political decision-makers in centers of government and the democratic institutions of the OECD and EU states, to representatives of civil society and international organizations, to scholars and interested citizens. Underlying the SGI project is a cross-national comparison of governance in 41 states of the OECD and the EU on the basis of a customized set of indicators. Operationalized as a survey, the SGI help identify successful examples of sustainable governance as well as policy and governance innovations. By comparing

strengths and pitfalls, the SGI aim to activate (international) learning processes while at the same time casting a spotlight on vital reforms for decision-makers and the public.

This instrument is built on three pillars – the *Policy Performance Index*, the *Democracy Index* and the *Governance Index* – that collectively identify examples of sustainable governance.

#### INFO

##### The SGI expert network

With its innovative approach, the SGI is the first survey of its kind to allow far-reaching assessments of the sustainability of OECD and EU member states. The SGI are by no means a system of purely quantitative data; the SGI also include qualitative expert assessments, which are gathered by means of a questionnaire used as part of a multistage data capture and validation process. A network comprising a total of more than 100 renowned scholars from around the world has been engaged for the study.

The inclusion of qualitative indicators is a major advantage of the SGI over many other indices, as this allows context-sensitive assessments that purely quantitative indicators cannot yield.

> *Methodology, page 22*

## Policy Performance

- Policy outcomes in 16 policy areas
- Aligned with the three pillars of sustainability: economic development, environmental protection and social equity
- Domestic action taken by governments sensitive to international responsibilities

## Democracy

- State of democracy and the rule of law
- Criteria address substance and procedures of democracy
- Focus on institutional and procedural quality

## Governance

- Executive capacity (steering capability, implementation, institutional learning)
- Executive accountability (participatory competencies of social actors)

## Profile of strengths and weaknesses (reform needs)



## Democratic Framework



## Governance and reform capacity





## Sustainable policy outcomes

# Policy Performance

The Policy Performance Index creates a map of reform needs in key policy areas for each country, asking how successful individual countries have been in achieving sustainable policy outcomes. In so doing, it references a range of ideas central to current international discourses on measuring sustainability, social progress and quality of life. Thus, the Policy Performance Index does not limit itself to the data associated with conventional measures of a society's economic growth and material prosperity.

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A broad set of indicators explore the viability and performance of economic, sociopolitical and environmental systems, as well as social inclusion.

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Instead, this pillar of the SGI also relies on data that measure the success of states in a variety of policy areas that must be taken into account in seeking to develop robust, high-performing, long-lasting economic, sociopolitical and environmental systems, not to mention high levels of social participation.

The Policy Performance Index measures the performance of the 41 states surveyed in terms of the three core dimensions of sustainability, manifested here as economic, social and environmental policies. A total of 16 individual policy areas are addressed, with policy outcomes captured by means of a wide range of quantitative and qualitative data. In this respect, the SGI 2016 goes further than previous SGI surveys, as it also encompasses the contribution of individual countries in promoting sustainable development at the international level. And in the context of the United Nations' new Sustainable Development Goals (SDGs), the highly developed OECD and EU states have a particular responsibility for contributing to an increase in global public welfare.

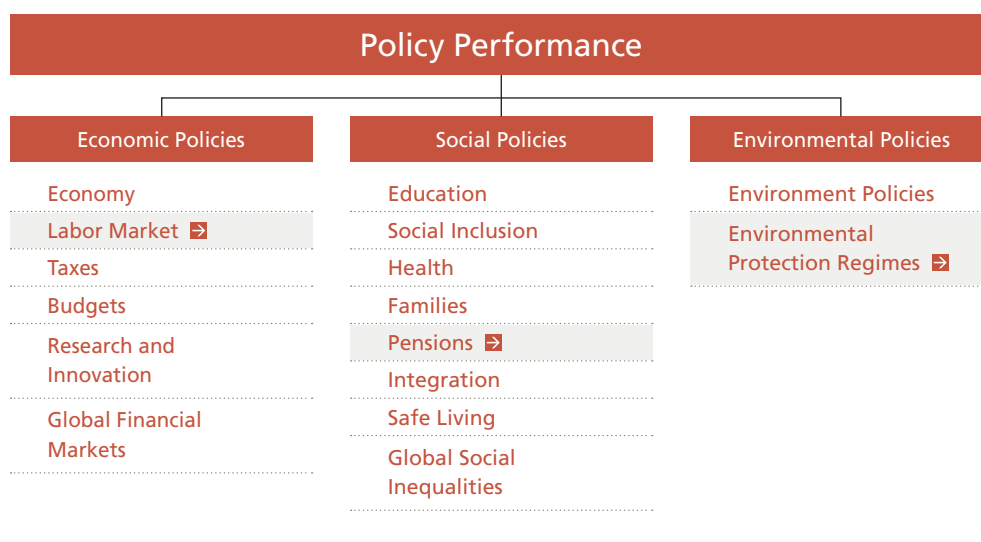
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## Index dimension 1

### Economic policies – prospects for inclusive growth

Economic policies that encourage competition and strengthen market principles remain the driver of growth, while safeguarding the resources necessary if a society is to be adaptable. However, such policies will be of the greatest advantage to the greatest number of people if they are accompanied by redistributive tax and labor-market policies, and underpinned by social policies that facilitate a just societal allocation of the benefits of economic growth. Therefore, sustainable governance can only be achieved through a successful, future-oriented approach to economic challenges. The decisive question with respect to sustainability is how opportunities for self-realization can be provided to the greatest number of people today without unjustly burdening future generations. Excessive public debt, for example, can leave future generations with a massive mortgage on their opportunities for self-realization, dwarfing the constraints felt by today's generations.

In assessing the individual policy areas comprising the economic sustainability pillar, the following questions are addressed:



➔ THREE CRITERIA AND THEIR INDICATORS

#### Assessment criteria for economic sustainability

- ➔ *Are economic policies applied on the basis of a coherent institutional framework, thereby enhancing the country's international competitiveness?*
- ➔ *How successful are government strategies in addressing unemployment and increasing labor-market inclusion?*
- ➔ *To what extent do the country's tax policies promote social equity, competition and positive long-term state-revenue prospects?*
- ➔ *To what extent are budgetary policies underpinned by principles of fiscal sustainability?*
- ➔ *To what extent do research and development policies contribute to the country's capacity for innovation?*
- ➔ *Does the country actively contribute to the effective regulation and stabilization of international financial markets?*

#### Labor Market

Labor Market Policy  
Unemployment  
Long-term Unemployment  
Youth Unemployment  
Low-Skilled Unemployment  
Employment Rate  
Low Pay Incidence

#### Pensions

Pension Policy  
Older Employment  
Old Age Dependency Ratio  
Senior Citizen Poverty

#### Environmental Protection Regimes

Global Environmental Policy  
Multilateral Environmental Agreements  
Kyoto Participation and Achievements

## Index dimension 2

### Social policies – securing participation for present and future generations

Social policies designed to enhance sustainability involve maintaining or increasing individuals' opportunities to act and live in accordance with their own values, which thereby ensures a high degree of participation in society. Political, social and economic systems must be constituted in such a way that individuals are provided with substantive opportunities for self-realization. Ensuring broad-based social participation involves more than providing safeguards against classic risks such as illness, accidents, aging, assisted living, disability and unemployment. Social policies should also be integrative in nature and empower members of the community to participate actively in public affairs. At the same time, all members of society should have equal access to these substantive opportunities: No one should be systematically excluded

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Participatory justice and equal opportunities for self-realization should underpin social policies.

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from those activities and states of being that comprise well-being. These include feeling safe, having good health and gainful employment, engaging in political participation, enjoying social relations, being able to participate in cultural life, and living in favorable environmental conditions. Seeking to enhance sustainability thus means ensuring the long-term viability of social welfare systems. Assessing the performance of OECD and EU states with this in mind involves more than evaluating the extent to which society provides opportunities and enables participation. It also involves taking a close look at factors such as the sustainability of public financing and the potential for reform within existing systems. Sustainability-minded decision-making maintains and even expands opportunities for social participation for today's generations without compromising the opportunities afforded to future generations.

The SGI's social policies category addresses the following questions:

#### Assessment criteria for social sustainability

- *To what extent do the country's education policies foster high-quality, inclusive and efficient education and training systems?*
- *To what extent do sociopolitical measures facilitate social inclusion, while effectively combating social exclusion and polarization?*
- *How successfully do policies secure quality, inclusivity and cost efficiency in the country's health care system?*
- *To what extent do family-policy measures make it easier to combine career and family?*
- *How successful are the country's pension policies in preventing old-age poverty while promoting intergenerational equity and fiscal sustainability?*
- *To what extent do the country's political measures foster the effective integration of migrants into society?*
- *How successful is the country in establishing secure living conditions for its citizens by combating crime and other security risks?*
- *And looking to the international level: To what extent is the country engaged in efforts to combat global social inequalities, such as the promotion of fair global-trade structures and just participation opportunities within developing countries?*

### Index dimension 3

#### Environmental policies

In terms of sustainability, environmental policies are particularly important given the far-reaching effects environmental conditions have on the quality of life. Our surrounding environment can influence the quality of life positively (by providing access to clean water, air and recreation areas) or negatively (through water, air or noise pollution, for example). The attractions or challenges provided by natural environments help determine where people want to live, drive migratory movements and make basic human existence possible. But natural environments (with their ecosystemic functions) are also dependent on human social systems – particularly the extent to which these latter systems observe principles of environmental sustainability. Life-styles and economic systems dependent on an intense use of resources destabilize the ecosystem in the long term. Indeed, the growing expectations of an expanding global population represent the greatest risk of destabilization. And yet the ability to fulfill these demands is constrained by immutable planetary limits. Environmental sustainability therefore means ensuring that regenerative resources are used only to the extent that they can be replenished. Environmental sustainability also involves ensuring that nonrenewable resources are consumed only to the extent that similar, renewable substitutes can be developed. Harmful pollutants such as greenhouse gases should be emitted only to the extent that they can be absorbed by natural systems. The goal of sustainable environmental policies must be to secure the natural foundation of human existence and leave an intact ecosystem for future generations.

Therefore, in this category of sustainability, the SGI address the following key questions for each of the 41 OECD and EU countries:

#### Assessment criteria for environmental sustainability

- *How successful are the country's environmental policies in protecting natural resources and promoting livable environmental conditions?*
- *How committed is the country to the advancement of binding global environmental-protection regimes?*

A broad range of quantitative indicators underlying this category also allow for a systematic assessment of environmental-policy outcomes (e.g., greenhouse-gas emissions, renewable energies, particulate pollution, waste recycling).

Comparing strengths and weaknesses across the three categories of the Policy Performance Index allows us to identify not only the areas in which individual countries are achieving positive policy outcomes, and the extent to which this is occurring, but also the areas in which there is a pressing need for further reform.

Behind this model is the idea that the long-term viability of economic, social and environmental systems can be achieved only through measures that consider these systems together. It is important to consider the diverse interactions and conflicting goals that arise from the three systems and their associated policies, with no single component viewed in isolation from the others. The structures, actors and processes through which such conflicting goals are addressed, and where possible resolved, are therefore of central importance in sustainable policy formulation (for more on this, see also aspects of quality of democracy and governance, on the next page).

## Comparing frameworks for democracy and the rule of law

# Democracy

How do OECD and EU states compare with regard to the quality of democracy and the rule of law? This question is also vital in assessing sustainable governance because the rule of law and citizens' ability to participate in political processes are essential to ensuring a political system's good performance and long-term stability. Fully developed opportunities for political participation must be in place if a society is to achieve high levels of participatory justice.

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The quality of democratic standards and the rule of law are key to any political system's long-term viability.

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Indeed, the quality of democracy in a society must be high if it is to sustain pluralism in the processes that build and shape public will and opinions (input legitimacy), as well as in the policy-formulation and decision-making processes that accommodate the interests and needs of a broad spectrum of stakeholders in society (throughput legitimacy), while ultimately transforming these processes into concrete and efficacious actions (output legitimacy). Democracy and the rule of law are therefore fundamental to preventing the systematic exclusion or neglect of social groups or individuals, enabling all members of a society to participate in shaping opinions and building the will to reform. When managing the inherent conflicts underlying sustainable policy goals, it is particularly important to prevent the systematic exclusion of any group, thus following the principle of equal opportunity. The legitimacy of a political system rests upon its ability to provide appropriate oversight of decision-makers' activities, opportunities for democratic participation, protection of civil rights and legal certainty. Citizens' consent to and trust in a political system will depend heavily on these conditions. Moreover, democratic participation and

oversight are essential in enabling concrete learning and adaptation processes, as well as the capacity for change. In SGI terms, a high level of democracy quality and a rigorous observation of the rule of law are vital to achieving sustainability in the sense of long-term systemic viability. The SGI measure these conditions in detail through the Democracy Index.

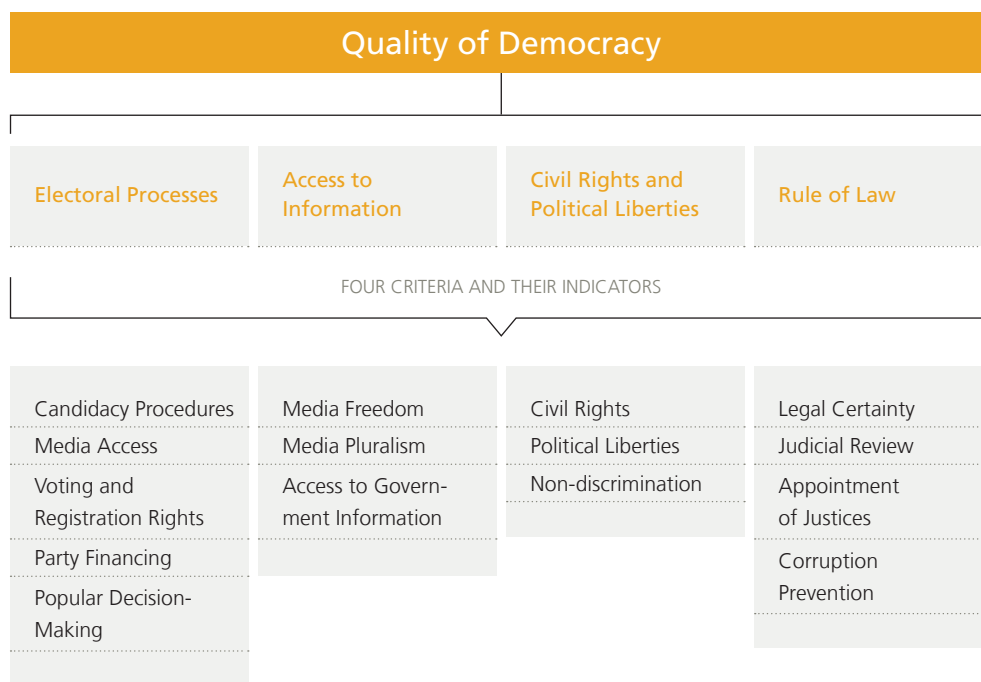
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### Quality of Democracy

The SGIs' Democracy Index is oriented toward the institutional and organizational realization of sound democratic standards. Its normative reference point is an ideal representative democracy.

The SGI criteria by which government systems in the OECD and EU are measured derive from those dimensions identified by democratic theory as most significant, and contain key indicators by which the quality of democracy can be assessed. In total, 15 qualitative indicators, comprising four criteria, are used to evaluate the fabric of democracy in each country. Criteria include the following:





#### Assessment criteria for the quality of democracy

- The electoral process, which includes the rules governing political-party ballot qualification and voter registration as well as the issue of party financing; for the first time, this edition of the SGI also evaluates direct-democracy structures and participation opportunities
- The public's access to information, which can be measured by the extent of media freedoms and media pluralism
- Civil rights and political liberties
- The rule of law, including legal certainty, the judicial review of laws and the prevention of corruption

## An international comparison of reform capacities

# Governance

In a context of rapidly changing environments and growing complexity, it is ever more important for policymakers (and the institutions through which they act) to respond quickly and resolutely while bearing in mind the long-term impact of actions taken today. It is therefore important that any assessment of sustainable governance look not only at policy outcomes, a country's underlying democratic order and the rule of law, but also at the political leadership's capacity to steer processes with success. Just how effective are OECD and EU leaders in managing strategic processes, and how well do they address and resolve the problems they face?

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The Governance Index looks at a government's capacity to deliver sound policies as well as the participatory and oversight competencies of social actors.

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The SGIs' Governance Index answers these questions using a broad and innovative set of indicators. These indicators permit a contextualized assessment of the extent to which the governments of OECD and EU states – working together with other institutions and social stakeholders in the course of democratic decision-making processes – are able to identify pressing issues, develop appropriate solutions and implement them efficiently and efficaciously.

The modern concept of governance employed by the SGI emphasizes a government's capacity to deliver sustainable policies (executive capacity) as well as the participatory and oversight competencies of actors and institutions beyond the executive branch (executive accountability).

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### Index dimension 1

#### Executive capacity

The executive capacity category focuses on the core activities of a government and examines the steering capabilities demonstrated by a political system's administrative apparatus. This includes strategic planning, interministerial coordination, knowledge management, consultation and

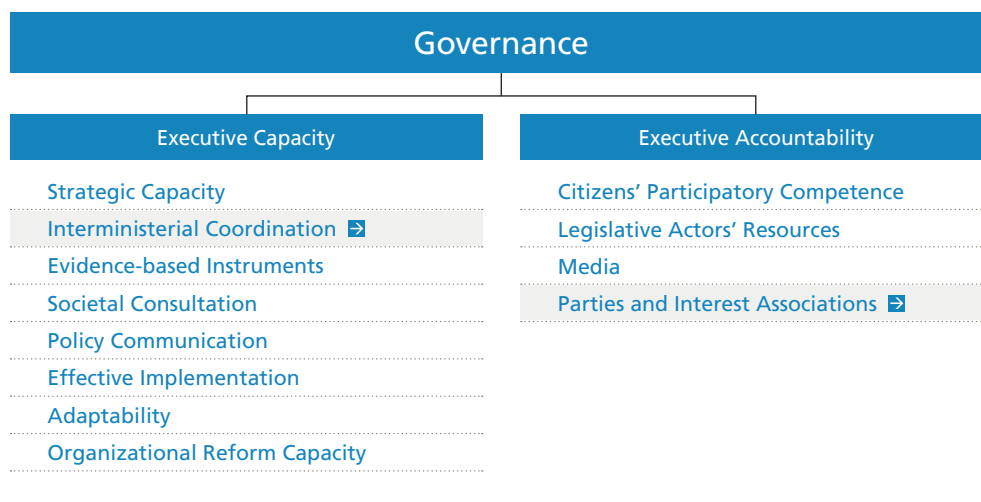
communication processes, as well as policy implementation and learning capacity. The key actors examined here are the governments of the OECD and EU states along with the organizational and institutional resources at their disposal (centers of government, ministries, agencies, etc.).

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### Index dimension 2

#### Executive accountability

The second category within the Governance Index, executive accountability, focuses on the forms of interaction between a government and other stakeholders in the policymaking process. It seeks to assess the extent to which participation and oversight competencies are produced and cultivated. If policies are to succeed in the long term and yield sustainable effects, governments clearly cannot afford to formulate and implement policies in isolation. Bearing this in mind, the SGI examines the extent to which other actors who perform essential functions in consolidating and mediating interests in a political system are able to participate in policymaking and monitor the process at each step along the way. The capacity to exercise this oversight



function in part reflects the government's obligation to account for its actions to citizens, parliaments, the media, parties and interest groups.

Moreover, executive accountability addresses the effectiveness of government communication, examining how well a government acquires and disseminates information, and the extent to which it involves and activates various elements of society in formulating and implementing policy. The SGI therefore include a series of indicators exploring the extent to which governments consult entities such as special-interest groups early in legislative planning processes. The category also includes indicators that explore the extent to which the associations, citizens and legislatures possess participatory competencies (knowledge of politics, financial resources, etc.). In short, this is about the checks and balances and participatory processes that can enhance the quality and legitimacy of political decision-making.

These aspects of modern governance are reflected in the architecture of the Governance Index, as shown in the figure above. As was the case for the Policy Performance and Democracy indices, the figure depicting the Governance Index represents merely an

overview of its most important features. In sum, 67 qualitative and 69 quantitative indicators underlie the three indices.

The issues and concerns discussed thus far highlight the SGIs' two-pronged objective in assessing the future viability of OECD and EU states: to measure the *need for reform* with reference to sustainable policy outcomes and the quality of democracy; and to measure the *capacity for reform* in terms of governments' and social groups' abilities to steer these processes. The SGI take this approach further than other international rankings in two respects. First, the SGI never regard OECD and EU states' reform needs from a purely economic point of view. Instead, the SGI intentionally incorporate cross-cutting topics such as education, the environment, social issues and security. Second, the dimension of reform capacity remains underexplored by other indices to date. No other ranking offers a comparable analysis with such depth of field.

#### ➔ TWO CRITERIA AND THEIR INDICATORS

##### Interministerial Coordination

GO Expertise  
GO Gatekeeping  
Line Ministries  
Cabinet Committees  
Ministerial Bureaucracy  
Informal Coordination

##### Parties and Interest Associations

Intra-Party Democracy  
Association Competence (Business)  
Association Competence (Others)

# Rankings

The **Policy Performance Index** aggregates all the data compiled on policy outcomes in 16 areas that address the three dimensions of sustainability (economic development, environmental protection and social policies). This allows for a strengths and weaknesses profile of each country as it underscores their specific reform needs.

The **Democracy Index** is based on the thorough analysis of each country's democratic order and the rule of law on which it is based. In assessing the quality of democratic institutions and processes, the index looks at the substantive and procedural features of a system that enable long-term oriented governance.

The **Governance Index** assesses a government's capacity to steer and implement policies, as well as its capacity for institutional learning. It also takes a close look at the participatory and monitoring competencies of actors in society, thereby accounting for a political system's capacity for reform.

## Policy Performance

| Ranking |       |   |       | SGI 2016 |      | Difference to SGI 2014 |      | Economic Policies |  | Social Policies |  | Environmental Policies |  | Policy Performance |  |
|---------|-------|---|-------|----------|------|------------------------|------|-------------------|--|-----------------|--|------------------------|--|--------------------|--|
|         |       |   |       |          |      |                        |      |                   |  |                 |  |                        |  |                    |  |
| 1       | 0.15  | ↗ | 0.06  | 7.85     | 7.54 | 8.61                   | 8.00 | Sweden            |  |                 |  |                        |  |                    |  |
| 2       | 0.04  | ↗ | 0.26  | 7.68     | 7.67 | 8.03                   | 7.79 | Denmark           |  |                 |  |                        |  |                    |  |
| 3       | -0.05 | ↘ | -0.05 | 7.41     | 7.89 | 7.87                   | 7.72 | Norway            |  |                 |  |                        |  |                    |  |
| 4       | -0.09 | ↘ | -0.07 | 7.83     | 7.08 | 7.85                   | 7.59 | Switzerland       |  |                 |  |                        |  |                    |  |
| 5       | -0.13 | ↘ | -0.12 | 7.23     | 7.55 | 7.45                   | 7.41 | Finland           |  |                 |  |                        |  |                    |  |
| 6       | 0.06  | ↗ | 0.03  | 7.30     | 6.74 | 7.72                   | 7.25 | Germany           |  |                 |  |                        |  |                    |  |
| 7       | -0.07 | ↘ | -0.12 | 6.99     | 6.68 | 7.42                   | 7.03 | Estonia           |  |                 |  |                        |  |                    |  |
| 8       | 0.12  | ↗ | 0.15  | 6.99     | 7.32 | 6.65                   | 6.99 | Luxembourg        |  |                 |  |                        |  |                    |  |
| 9       | 0.09  | ↗ | 0.13  | 6.76     | 7.14 | 6.93                   | 6.94 | United Kingdom    |  |                 |  |                        |  |                    |  |
| 10      | 0.09  | ↗ | 0.17  | 6.38     | 6.18 | 7.74                   | 6.77 | Lithuania         |  |                 |  |                        |  |                    |  |
| 11      | -0.07 | ↘ | -0.05 | 6.85     | 7.11 | 6.09                   | 6.68 | Netherlands       |  |                 |  |                        |  |                    |  |
| 12      | -0.04 | ↘ | -0.01 | 6.65     | 7.28 | 5.56                   | 6.49 | New Zealand       |  |                 |  |                        |  |                    |  |
| 13      | 0.09  | ↗ | 0.40  | 6.08     | 6.42 | 6.45                   | 6.32 | Ireland           |  |                 |  |                        |  |                    |  |
| 14      | -0.10 | ↘ | -0.30 | 6.36     | 7.13 | 5.35                   | 6.28 | Iceland           |  |                 |  |                        |  |                    |  |
| 15      | -0.07 | ↘ | -0.06 | 6.19     | 4.93 | 7.31                   | 6.14 | Latvia            |  |                 |  |                        |  |                    |  |
| 16      | -0.01 | ↘ | 0.00  | 6.26     | 6.28 | 5.76                   | 6.10 | Austria           |  |                 |  |                        |  |                    |  |
| 17      | -0.02 | ↘ | 0.01  | 6.84     | 7.04 | 4.36                   | 6.08 | Canada            |  |                 |  |                        |  |                    |  |
| 18      | 0.09  | ↗ | -0.11 | 5.45     | 6.40 | 6.37                   | 6.07 | France            |  |                 |  |                        |  |                    |  |
| 18      | -0.03 | ↘ | -0.04 | 6.67     | 6.30 | 5.22                   | 6.07 | South Korea       |  |                 |  |                        |  |                    |  |
| 20      | -0.09 | ↘ | -0.07 | 5.71     | 6.20 | 6.17                   | 6.03 | Czech Republic    |  |                 |  |                        |  |                    |  |
| 21      | -0.08 | ↘ | -0.15 | 6.21     | 6.23 | 5.62                   | 6.02 | Belgium           |  |                 |  |                        |  |                    |  |
| 22      | 0.10  | ↗ | 0.24  | 4.93     | 6.32 | 6.69                   | 5.98 | Slovenia          |  |                 |  |                        |  |                    |  |
| 23      | -0.02 | ↘ | 0.03  | 5.99     | 5.88 | 5.88                   | 5.92 | Japan             |  |                 |  |                        |  |                    |  |
| 24      | 0.00  | • | 0.04  | 5.95     | 5.94 | 5.68                   | 5.86 | Poland            |  |                 |  |                        |  |                    |  |
| 25      | -0.03 | ↘ | -0.44 | 5.78     | 6.50 | 4.98                   | 5.75 | Australia         |  |                 |  |                        |  |                    |  |
| 26      | 0.11  | ↗ | 0.18  | 6.39     | 5.82 | 4.84                   | 5.68 | United States     |  |                 |  |                        |  |                    |  |
| 27      | -0.12 | ↘ | -0.15 | 6.79     | 5.59 | 4.50                   | 5.63 | Israel            |  |                 |  |                        |  |                    |  |
| 28      | 0.04  | ↗ | -0.01 | 5.29     | 5.27 | 6.16                   | 5.57 | Slovakia          |  |                 |  |                        |  |                    |  |
| 29      | 0.20  | ↗ | 0.40  | 5.11     | 5.82 | 5.47                   | 5.47 | Spain             |  |                 |  |                        |  |                    |  |
| 30      | 0.10  | ↗ | 0.16  | 6.26     | 5.34 | 4.54                   | 5.38 | Malta             |  |                 |  |                        |  |                    |  |
| 31      | 0.08  | ↗ | 0.25  | 4.68     | 5.48 | 5.96                   | 5.37 | Portugal          |  |                 |  |                        |  |                    |  |
| 32      | 0.21  | ↗ | 0.38  | 5.42     | 5.53 | 5.10                   | 5.35 | Italy             |  |                 |  |                        |  |                    |  |
| 33      | 0.05  | ↗ | 0.13  | 6.16     | 4.85 | 4.59                   | 5.20 | Chile             |  |                 |  |                        |  |                    |  |
| 34      | 0.01  | ↗ | 0.02  | 4.94     | 4.46 | 6.17                   | 5.19 | Romania           |  |                 |  |                        |  |                    |  |
| 35      | 0.15  | ↗ | 0.01  | 4.92     | 4.34 | 6.27                   | 5.18 | Bulgaria          |  |                 |  |                        |  |                    |  |
| 36      | 0.09  | ↗ | 0.12  | 4.41     | 4.68 | 6.38                   | 5.16 | Hungary           |  |                 |  |                        |  |                    |  |
| 37      | 0.04  | ↗ | -0.02 | 3.92     | 5.19 | 6.15                   | 5.08 | Croatia           |  |                 |  |                        |  |                    |  |
| 38      | 0.08  | ↗ | 0.21  | 4.34     | 5.61 | 4.51                   | 4.82 | Cyprus            |  |                 |  |                        |  |                    |  |
| 39      | -0.03 | ↘ | 0.08  | 5.84     | 4.83 | 3.77                   | 4.81 | Turkey            |  |                 |  |                        |  |                    |  |
| 40      | -0.12 | ↘ | -0.14 | 5.42     | 4.02 | 4.71                   | 4.72 | Mexico            |  |                 |  |                        |  |                    |  |
| 41      | -0.06 | ↘ | 0.19  | 3.26     | 4.81 | 4.79                   | 4.29 | Greece            |  |                 |  |                        |  |                    |  |

## Democracy

| Ranking |       |   |       |      | SGI 2016       |  | Difference to SGI 2015 |  | Trend |  | Difference to SGI 2014 |  | Quality of Democracy |  |
|---------|-------|---|-------|------|----------------|--|------------------------|--|-------|--|------------------------|--|----------------------|--|
|         |       |   |       |      |                |  |                        |  |       |  |                        |  |                      |  |
| 1       | 0.08  | ↗ | -0.06 | 9.19 | Sweden         |  |                        |  |       |  |                        |  |                      |  |
| 2       | 0.00  | • | 0.05  | 9.15 | Finland        |  |                        |  |       |  |                        |  |                      |  |
| 3       | -0.08 | ↘ | -0.08 | 8.93 | Norway         |  |                        |  |       |  |                        |  |                      |  |
| 4       | 0.00  | • | -0.05 | 8.90 | Denmark        |  |                        |  |       |  |                        |  |                      |  |
| 5       | 0.08  | ↗ | 0.15  | 8.78 | Germany        |  |                        |  |       |  |                        |  |                      |  |
| 6       | -0.08 | ↘ | -0.08 | 8.61 | Switzerland    |  |                        |  |       |  |                        |  |                      |  |
| 7       | -0.08 | ↘ | -0.12 | 8.48 | New Zealand    |  |                        |  |       |  |                        |  |                      |  |
| 8       | 0.00  | • | 0.00  | 8.37 | Poland         |  |                        |  |       |  |                        |  |                      |  |
| 9       | -0.03 | ↘ | 0.05  | 8.33 | Estonia        |  |                        |  |       |  |                        |  |                      |  |
| 10      | -0.13 | ↘ | -0.20 | 8.15 | Ireland        |  |                        |  |       |  |                        |  |                      |  |
| 11      | 0.00  | • | 0.00  | 8.12 | Lithuania      |  |                        |  |       |  |                        |  |                      |  |
| 12      | 0.05  | ↗ | -0.30 | 8.07 | United States  |  |                        |  |       |  |                        |  |                      |  |
| 13      | -0.17 | ↘ | -0.17 | 7.90 | Latvia         |  |                        |  |       |  |                        |  |                      |  |
| 14      | -0.03 | ↘ | 0.07  | 7.83 | Luxembourg     |  |                        |  |       |  |                        |  |                      |  |
| 15      | 0.00  | • | -0.05 | 7.63 | Canada         |  |                        |  |       |  |                        |  |                      |  |
| 16      | -0.17 | ↘ | -0.25 | 7.58 | Australia      |  |                        |  |       |  |                        |  |                      |  |
| 17      | 0.00  | • | 0.10  | 7.55 | Slovenia       |  |                        |  |       |  |                        |  |                      |  |
| 18      | -0.18 | ↘ | -0.18 | 7.52 | Netherlands    |  |                        |  |       |  |                        |  |                      |  |
| 19      | 0.00  | • | 0.08  | 7.46 | Austria        |  |                        |  |       |  |                        |  |                      |  |
| 20      | 0.00  | • | 0.06  | 7.43 | Belgium        |  |                        |  |       |  |                        |  |                      |  |
| 21      | 0.15  | ↗ | 0.03  | 7.37 | United Kingdom |  |                        |  |       |  |                        |  |                      |  |
| 22      | -0.02 | ↘ | -0.15 | 7.35 | Portugal       |  |                        |  |       |  |                        |  |                      |  |
| 23      | 0.03  | ↗ | 0.39  | 7.23 | Italy          |  |                        |  |       |  |                        |  |                      |  |
| 24      | -0.02 | ↘ | -0.38 | 7.19 | Iceland        |  |                        |  |       |  |                        |  |                      |  |
| 25      | -0.22 | ↘ | -0.46 | 7.15 | Czech Republic |  |                        |  |       |  |                        |  |                      |  |
| 26      | 0.00  | • | 0.08  | 7.01 | France         |  |                        |  |       |  |                        |  |                      |  |
| 27      | -0.06 | ↘ | -0.10 | 6.95 | Slovakia       |  |                        |  |       |  |                        |  |                      |  |
| 28      | 0.02  | ↗ | -0.04 | 6.93 | Greece         |  |                        |  |       |  |                        |  |                      |  |
| 29      | 0.00  | • | -0.11 | 6.84 | Spain          |  |                        |  |       |  |                        |  |                      |  |
| 30      | -0.22 | ↘ | -0.22 | 6.70 | Israel         |  |                        |  |       |  |                        |  |                      |  |
| 31      | 0.00  | • | -0.15 | 6.53 | Chile          |  |                        |  |       |  |                        |  |                      |  |
| 32      | 0.00  | • | -0.17 | 6.20 | Cyprus         |  |                        |  |       |  |                        |  |                      |  |
| 33      | 0.00  | • | 0.30  | 5.92 | Croatia        |  |                        |  |       |  |                        |  |                      |  |
| 34      | 0.00  | • | -0.25 | 5.89 | Japan          |  |                        |  |       |  |                        |  |                      |  |
| 35      | 0.08  | ↗ | -0.07 | 5.83 | Mexico         |  |                        |  |       |  |                        |  |                      |  |
| 36      | 0.05  | ↗ | 0.00  | 5.80 | Bulgaria       |  |                        |  |       |  |                        |  |                      |  |
| 37      | -0.08 | ↘ | -0.08 | 5.55 | South Korea    |  |                        |  |       |  |                        |  |                      |  |
| 38      | 0.05  | ↗ | 0.20  | 5.52 | Malta          |  |                        |  |       |  |                        |  |                      |  |
| 39      | 0.05  | ↗ | -0.10 | 5.10 | Romania        |  |                        |  |       |  |                        |  |                      |  |
| 40      | -0.18 | ↘ | -0.50 | 4.23 | Turkey         |  |                        |  |       |  |                        |  |                      |  |
| 41      | 0.00  | • | -0.91 | 4.11 | Hungary        |  |                        |  |       |  |                        |  |                      |  |

## Governance

| Ranking |       |   | SGI 2016<br>Difference<br>to SGI 2015<br>Trend |      |      |      | Difference to SGI 2014 |  | Executive Capacity<br>Executive Accountability<br>Governance |  |
|---------|-------|---|------------------------------------------------|------|------|------|------------------------|--|--------------------------------------------------------------|--|
| 1       | 0.03  | ↗ | 0.03                                           | 8.09 | 8.79 | 8.44 | Norway                 |  |                                                              |  |
| 2       | -0.06 | ↘ | -0.08                                          | 8.47 | 8.29 | 8.38 | Finland                |  |                                                              |  |
| 3       | 0.02  | ↗ | 0.00                                           | 8.44 | 8.26 | 8.35 | Denmark                |  |                                                              |  |
| 3       | -0.14 | ↘ | -0.11                                          | 8.34 | 8.35 | 8.35 | Sweden                 |  |                                                              |  |
| 5       | -0.03 | ↘ | 0.02                                           | 8.31 | 6.74 | 7.53 | New Zealand            |  |                                                              |  |
| 6       | -0.07 | ↘ | 0.00                                           | 6.85 | 7.91 | 7.38 | Luxembourg             |  |                                                              |  |
| 7       | -0.02 | ↘ | -0.02                                          | 7.60 | 7.14 | 7.37 | United States          |  |                                                              |  |
| 8       | 0.19  | ↗ | 0.28                                           | 7.74 | 6.75 | 7.25 | United Kingdom         |  |                                                              |  |
| 9       | 0.00  | • | -0.04                                          | 7.50 | 6.75 | 7.13 | Canada                 |  |                                                              |  |
| 10      | -0.24 | ↘ | -0.23                                          | 6.82 | 7.28 | 7.05 | Germany                |  |                                                              |  |
| 11      | -0.01 | ↘ | -0.17                                          | 6.90 | 7.17 | 7.04 | Australia              |  |                                                              |  |
| 12      | 0.07  | ↗ | -0.02                                          | 7.16 | 6.72 | 6.94 | Switzerland            |  |                                                              |  |
| 13      | 0.09  | ↗ | 0.12                                           | 7.34 | 6.31 | 6.83 | Poland                 |  |                                                              |  |
| 14      | -0.06 | ↘ | -0.08                                          | 6.38 | 7.24 | 6.81 | Iceland                |  |                                                              |  |
| 15      | 0.00  | • | 0.14                                           | 6.66 | 6.69 | 6.68 | Ireland                |  |                                                              |  |
| 16      | -0.01 | ↘ | 0.03                                           | 6.15 | 7.19 | 6.67 | Austria                |  |                                                              |  |
| 17      | -0.07 | ↘ | -0.03                                          | 7.18 | 5.74 | 6.46 | Lithuania              |  |                                                              |  |
| 18      | 0.16  | ↗ | 0.04                                           | 6.24 | 6.64 | 6.44 | Israel                 |  |                                                              |  |
| 19      | 0.01  | ↗ | 0.07                                           | 5.61 | 7.22 | 6.42 | Belgium                |  |                                                              |  |
| 20      | -0.05 | ↘ | 0.12                                           | 6.40 | 6.42 | 6.41 | Spain                  |  |                                                              |  |
| 21      | -0.03 | ↘ | -0.11                                          | 6.25 | 6.41 | 6.33 | Estonia                |  |                                                              |  |
| 22      | -0.14 | ↘ | -0.19                                          | 6.05 | 6.53 | 6.29 | Netherlands            |  |                                                              |  |
| 23      | 0.01  | ↗ | -0.11                                          | 7.29 | 5.19 | 6.24 | Latvia                 |  |                                                              |  |
| 24      | 0.09  | ↗ | 0.15                                           | 6.45 | 5.90 | 6.17 | Japan                  |  |                                                              |  |
| 25      | 0.10  | ↗ | 0.32                                           | 6.29 | 6.02 | 6.16 | Italy                  |  |                                                              |  |
| 26      | -0.01 | ↘ | 0.11                                           | 5.33 | 6.82 | 6.07 | Czech Republic         |  |                                                              |  |
| 27      | -0.14 | ↘ | -0.12                                          | 6.53 | 5.50 | 6.02 | South Korea            |  |                                                              |  |
| 28      | -0.16 | ↘ | -0.12                                          | 6.22 | 5.79 | 6.00 | Mexico                 |  |                                                              |  |
| 29      | -0.14 | ↘ | -0.34                                          | 6.58 | 5.16 | 5.87 | Chile                  |  |                                                              |  |
| 30      | 0.14  | ↗ | -0.06                                          | 6.19 | 5.52 | 5.86 | France                 |  |                                                              |  |
| 31      | 0.14  | ↗ | 0.32                                           | 5.29 | 6.23 | 5.76 | Malta                  |  |                                                              |  |
| 32      | 0.00  | • | -0.17                                          | 5.81 | 5.34 | 5.57 | Portugal               |  |                                                              |  |
| 33      | -0.10 | ↘ | -0.19                                          | 5.78 | 5.12 | 5.45 | Turkey                 |  |                                                              |  |
| 34      | -0.02 | ↘ | 0.00                                           | 4.72 | 6.14 | 5.43 | Slovenia               |  |                                                              |  |
| 35      | -0.09 | ↘ | -0.16                                          | 5.27 | 5.36 | 5.32 | Slovakia               |  |                                                              |  |
| 36      | 0.06  | ↗ | -0.11                                          | 4.77 | 5.42 | 5.10 | Bulgaria               |  |                                                              |  |
| 37      | 0.08  | ↗ | 0.02                                           | 4.58 | 5.23 | 4.91 | Croatia                |  |                                                              |  |
| 38      | -0.20 | ↘ | -0.32                                          | 5.07 | 4.60 | 4.84 | Hungary                |  |                                                              |  |
| 39      | -0.26 | ↘ | -0.20                                          | 4.04 | 5.50 | 4.77 | Greece                 |  |                                                              |  |
| 40      | 0.23  | ↗ | 0.17                                           | 4.48 | 4.96 | 4.72 | Romania                |  |                                                              |  |
| 41      | -0.02 | ↘ | 0.34                                           | 3.66 | 4.96 | 4.31 | Cyprus                 |  |                                                              |  |

Survey periods **SGI 2016**: November 2014 – November 2015, **SGI 2015**: May 2013 – November 2014, **SGI 2014**: May 2011 – May 2013



## Results and data at a glance

## SGI Website

The SGI website's interactive features provide access to the findings for 41 countries. Users can explore the full range of data provided, from individual indicators across various analytic categories to fully aggregated indices.

The screenshot displays the SGI Website interface with the following elements:

- Header:** SGI Sustainable Governance Indicators logo, navigation links for Policy Performance (red dot), Democracy (yellow dot), and Governance (blue dot), and links for Countries, Time Series, Downloads, About the SGI Survey Structure, SGI 2014 Overview, Facebook, and BertelsmannStiftung.
- SGI 2016 Survey:** A dropdown menu with a "Take the tour" button. A circular callout "1" points to the "SGI 2016 Survey" header.
- Policy Performance:** A red dot icon followed by a dropdown menu with options: Economic Policies, Social Policies, and Environmental Policies. A circular callout "2" points to the "Policy Performance" header.
- Democracy:** A yellow dot icon followed by a dropdown menu with the option: Quality of Democracy.
- Governance:** A blue dot icon followed by a dropdown menu with options: Executive Capacity and Executive Accountability. Below this is a featured article titled "Are non-governmental actors involved in policy-making?" with a photo of a woman speaking into a microphone. A circular callout "3" points to the "SGI Studies" section.
- SGI News:** A section titled "Brexit: A Culture Clash Within Britain" with a photo of a crowd and a date of 11.7.2016. It includes a "Play" button.
- SGI Studies:** A section titled "Social Justice in the EU: Social Inclusion Monitor Europe (SIM) - Index Report" with a photo of people holding hands and a date of 27 October 2015. It includes a "Play" button.

**1 Intuitive navigation**

Direct access to the entire set of data, downloads and comparative features.

**2 3 pillars, 6 categories**

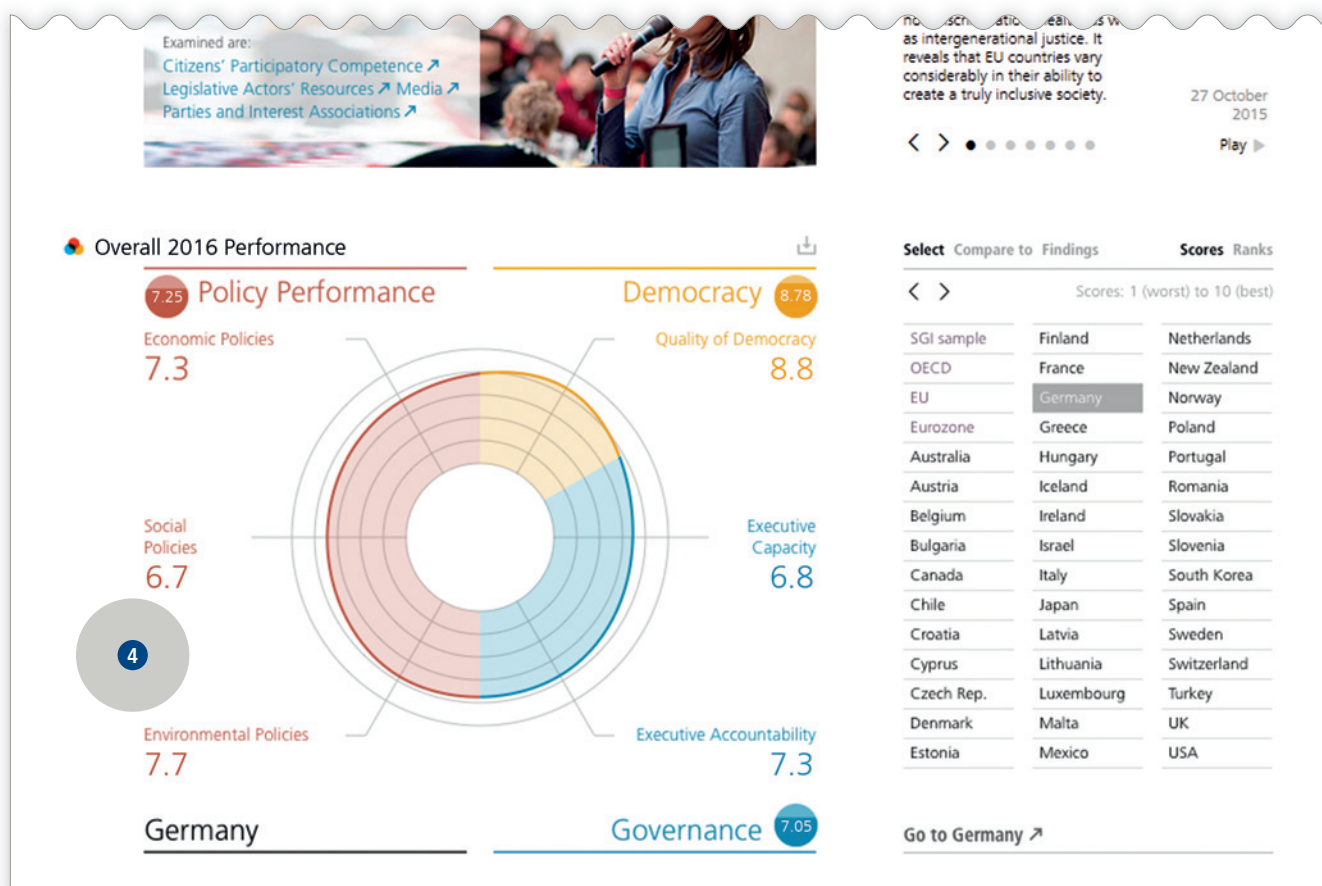
Access to every level of analysis – from indicators to indices.

**3 News and studies**

Studies and ongoing blog reports that draw upon data for each of the SGI countries.

**4 Interactive features**

A variety of visualizations allow for a systematic comparison of strengths and weaknesses.





Sustainable Governance Indicators

Policy Performance  
 Democracy  
 Governance

Countries  
 Time Series  
 Downloads

About the SGI  
 Survey Structure

SGI News  
 Romania: Cleaning Up Needs Stamina

SGI Studies  
 Social Justice: Social Justice in the OECD – How Do the Member States Compare?

## Canada < >

Key Findings  
 Executive Summary  
 Key Challenges

Economic Policies  
 Social Policies  
 Environmental Policies

Quality of Democracy  
 Executive Capacity  
 Executive Accountability

Canada Report  
 Join us on Facebook  
 Share this page

6

6.9 Economic Policies #7

Key Findings

Despite failures to increase productivity over time, Canada's market-oriented policy regime receives high rankings in international comparison (rank 7).

Labor-market regulation is light, though labor-market support policies have had little clear effect on employment rates, particularly among aboriginals. Mobility is high and the labor market is flexible overall.

Despite income-tax progressivity, inequality has risen in recent decades. Corporate tax rates have fallen. Budget deficits and public debt are moderate, though rising health care costs prompt future fiscal concerns. Academic research is vigorous, but has not translated effectively into business activity.

Graph View List View Experts

Canada vs. < >

7.6 Economy #2

How successful has economic policy been in providing a reliable economic framework and in fostering international competitiveness?

10 Economic policy fully succeeds in providing a coherent set-up of different institutional spheres and regimes, thus stabilizing the economic environment. It largely contributes to the objectives of fostering a country's competitive capabilities and attractiveness as an economic location.

9

8 Economic policy largely provides a reliable economic environment and supports the objectives of fostering a country's competitive capabilities and attractiveness as an economic location.

7

6

7.2 Labor Market Policy

5 Economic policy somewhat contributes to providing a reliable economic environment and helps to a certain degree in fostering a country's competitive capabilities and attractiveness as an economic location.

4

3

2 Economic policy mainly acts in discretionary ways essentially destabilizing the economic environment. There is little coordination in the set-up of economic policy institutions. Economic policy generally fails in fostering a country's competitive capabilities and attractiveness as an economic location.

1

**5 Time series analysis**

Compare a variety of items over time (SGI 2014, 2015 and 2016).

**6 Country reports**

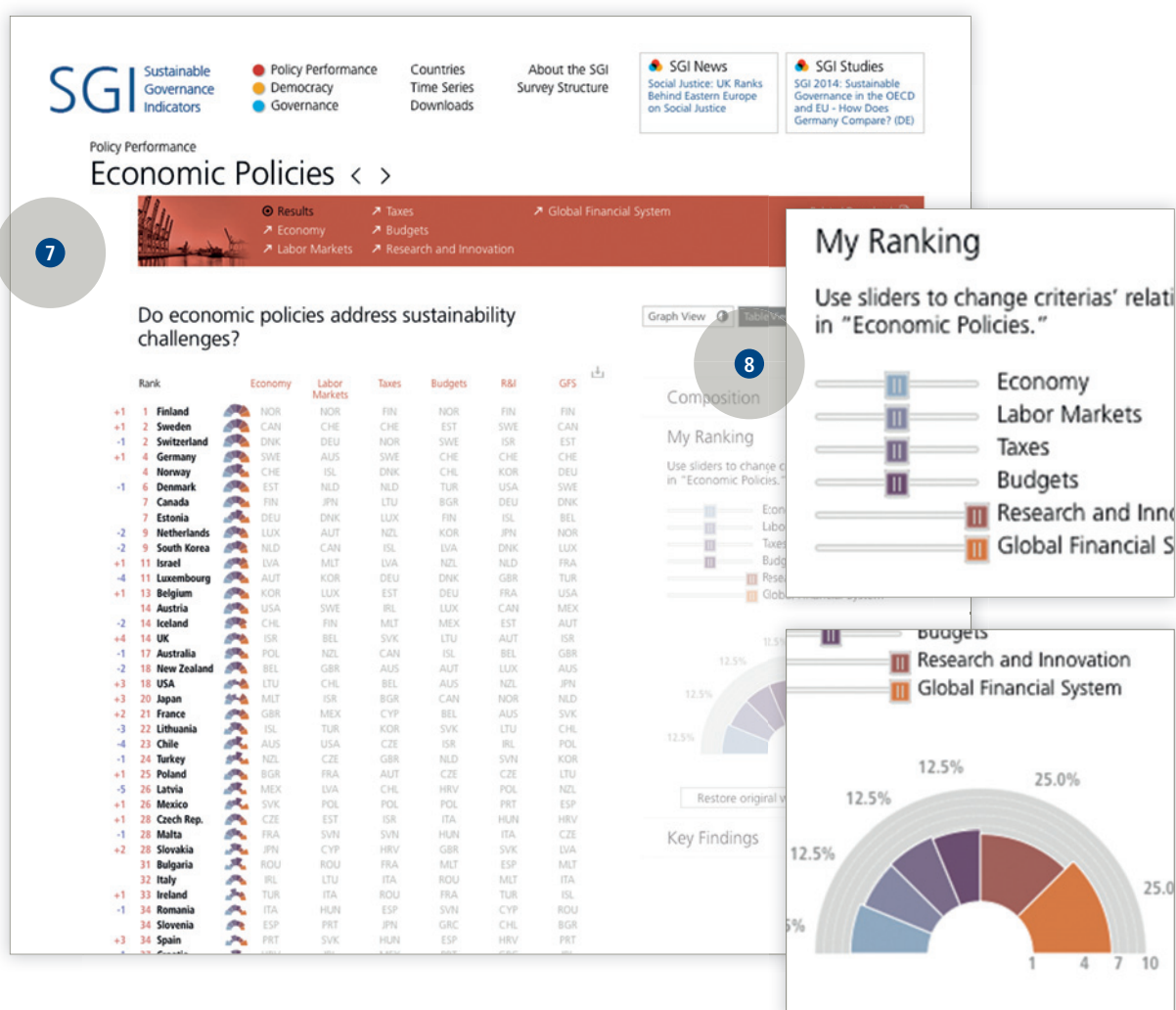
Explore country reports from every angle.

**7 Policy areas in comparison**

The SGI also allow for the cross-national comparison of policy areas.

**8 Determine weighting**

Users can for the first time select the relative weights of criteria used in rankings.



Combining quantitative data with  
experts' qualitative analysis

# Methodology: Generating Better Data through an Iterative Process

The SGI draw on established survey and aggregation methods. In order to ensure the proper operationalization of the individual index components, the SGI rely on a combination of qualitative and quantitative data. This allows for an analysis in which the strengths of both types of data can be applied, and it avoids the pitfalls associated with the use of purely quantitative or qualitative surveys. In the SGI, the “objectivity” of quantitative data from official statistical sources is complemented by experts' context-sensitive qualitative assessments. This combination delivers a detailed portrait of policy outcomes, the quality of democracy and steering capacities.

---

SGI methodology stands out for being transparent and context-sensitive.

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The quantitative data underlying the SGI is drawn from official statistical sources, in particular those provided by the OECD and EU. While the SGI project team compiles this quantitative data centrally, the qualitative data is procured from a global network of more than 100 experts in a multiphase process of survey and validation. Each country is evaluated by (at least) two country experts (political scientists and economists) as well as a regional coordinator, each of whom respond to the questions posed in the SGI codebook. Country reports are then produced through an iterative evaluation process involving reviews and comments by each expert. This procedure is similar to that used by the Bertelsmann Stiftung in the SGI's sister project, the Transformation Index.

The SGI Codebook (available at [www.sgi-network.org](http://www.sgi-network.org)) details the rationale behind each of the 67 qualitative indicators, thereby ensuring a shared understanding of

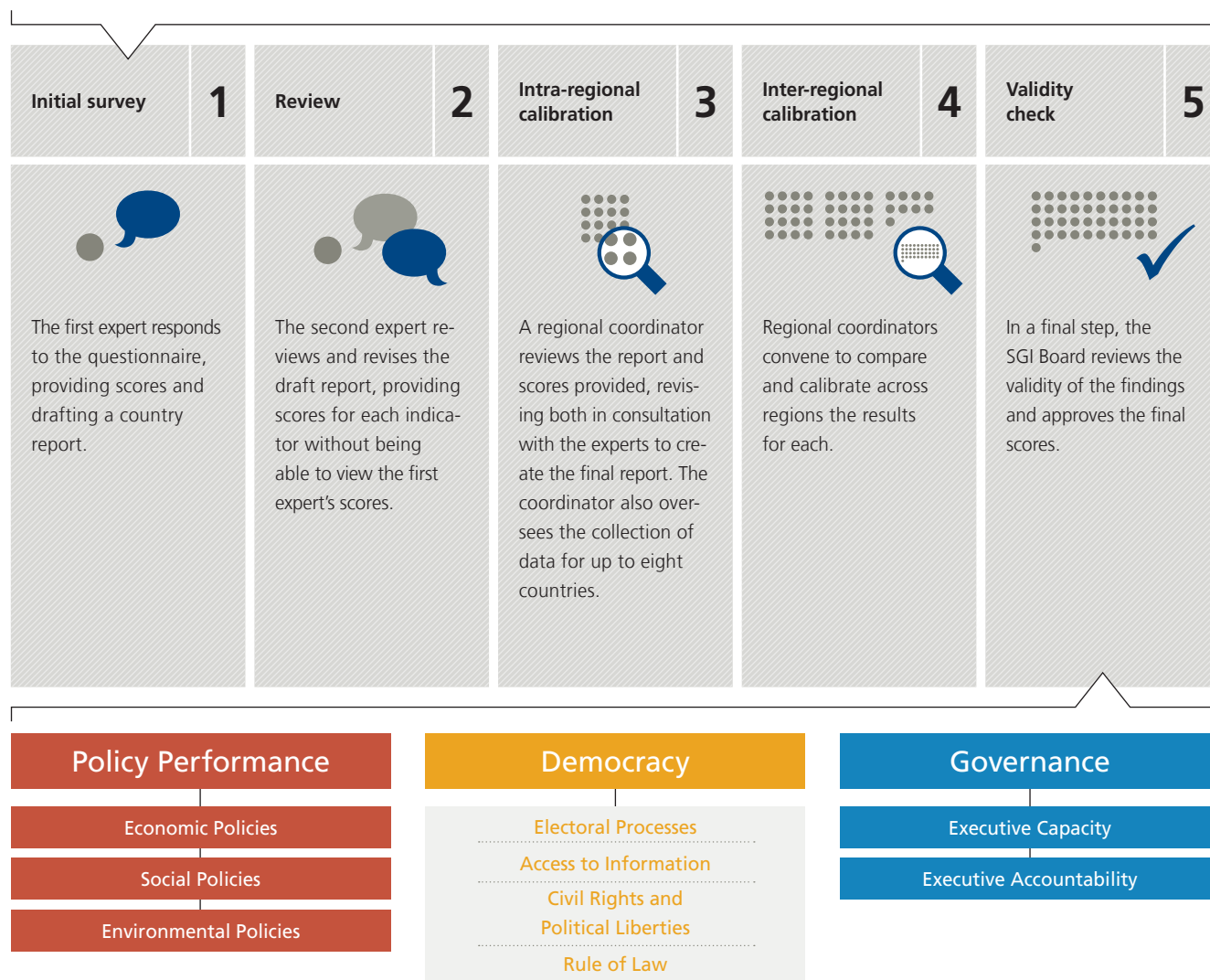
each question among the SGI experts. The questions comprising this codebook include a range of answer options, allowing for precise evaluations on a scale of 1 (lowest score) to 10 (highest). The response to each question includes both a numerical score and a written response that substantiates and illustrates the score given. Throughout the course of the online survey process, experts refer to the quantitative indicators for all 41 countries as benchmarks, allowing assessments to be made on the basis of sound empirical data.

To ensure the comparability of quantitative and qualitative data, all quantitative data are standardized by linear transformation on a scale of 1 to 10. These figures are then subject to simple aggregation in establishing the three Policy Performance, Democracy and Governance indices.

The SGI evaluation process yields two products: detailed rankings and comprehensive reports on each of the 41 OECD and EU



## A multi-stage survey of 41 OECD and EU states ensures that results are reliable and valid



states surveyed (available free of charge at [www.sgi-network.org](http://www.sgi-network.org)). The SGI website provides access to every level of aggregation, from individual indicators up to the top-level indices. The country reports are also available as downloads.

The survey period for the Sustainable Governance Indicators 2016 extended from November 7, 2014 to November 8, 2015. The assessments provided therefore refer to governance exclusively within this period of time. Following earlier edition in 2009, 2011, 2014 and 2015, this is the fifth SGI survey.

## Survey Structure

| Category                                                                                                      | Economic Policies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Social Policies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Environmental Policies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|---------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Criterion <ul style="list-style-type: none"><li>· Indicator</li><li>· Indicator</li><li>· Indicator</li></ul> | <b>Economy</b> <ul style="list-style-type: none"><li>· Economic Policy</li><li>· GDP per Capita</li><li>· Inflation</li><li>· Gross Fixed Capital Formation</li><li>· Real Interest Rates</li><li>· Potential Output, Growth Rate</li></ul> <b>Labor Market</b> <ul style="list-style-type: none"><li>· Labor Market Policy</li><li>· Unemployment</li><li>· Long-term Unemployment</li><li>· Youth Unemployment</li><li>· Low-skilled Unemployment</li><li>· Employment Rate</li><li>· Low Pay Incidence</li></ul> <b>Taxes</b> <ul style="list-style-type: none"><li>· Tax Policy</li><li>· Tax System Complexity</li><li>· Structural Balance</li><li>· Marginal Tax Burden for Businesses</li><li>· Redistribution Effect</li></ul> <b>Budgets</b> <ul style="list-style-type: none"><li>· Budgetary Policy</li><li>· Debt to GDP</li><li>· Primary Balance</li><li>· Debt Interest Ratio</li><li>· Budget Consolidation</li></ul> <b>Research and Innovation</b> <ul style="list-style-type: none"><li>· Research and Innovation Policy</li><li>· Public R&amp;D Spending</li><li>· Non-public R&amp;D Spending</li><li>· Total Researchers</li><li>· Intellectual Property Licenses</li><li>· PCT Patent Applications</li></ul> <b>Global Financial System</b> <ul style="list-style-type: none"><li>· Stabilizing global financial markets</li><li>· Tier 1 Capital Ratio</li></ul> | <b>Education</b> <ul style="list-style-type: none"><li>· Education Policy</li><li>· Upper Secondary Attainment</li><li>· Tertiary Attainment</li><li>· PISA Results</li><li>· PISA, Socioeconomic Background</li><li>· Pre-primary Expenditure</li></ul> <b>Social Inclusion</b> <ul style="list-style-type: none"><li>· Social Inclusion Policy</li><li>· Poverty Rate</li><li>· NEET Rates</li><li>· Gini Coefficient</li><li>· Gender Equality in Parliaments</li><li>· Life Satisfaction</li></ul> <b>Health</b> <ul style="list-style-type: none"><li>· Health Policy</li><li>· Spending on Health Programs</li><li>· Life Expectancy</li><li>· Infant Mortality</li><li>· Perceived Health Status</li></ul> <b>Families</b> <ul style="list-style-type: none"><li>· Family Policy</li><li>· Child Care Density, Age 0-2</li><li>· Child Care Density, Age 3-5</li><li>· Fertility Rate</li><li>· Child Poverty</li></ul> <b>Pensions</b> <ul style="list-style-type: none"><li>· Pension Policy</li><li>· Older Employment</li><li>· Old Age Dependency Ratio</li><li>· Senior Citizen Poverty</li></ul> | <b>Integration</b> <ul style="list-style-type: none"><li>· Integration Policy</li><li>· FB-N Upper Secondary Attainment</li><li>· FB-N Tertiary Attainment</li><li>· FB-N Unemployment</li><li>· FB-N Employment</li><li>· (FB-N = Foreign-Born to Native)</li></ul> <b>Safe Living</b> <ul style="list-style-type: none"><li>· Safe Living Conditions</li><li>· Homicides</li><li>· Assaults and Muggings</li><li>· Confidence in Police</li></ul> <b>Global Inequalities</b> <ul style="list-style-type: none"><li>· Global Social Policy</li><li>· ODA Rate</li></ul> | <b>Environment</b> <ul style="list-style-type: none"><li>· Environmental Policy</li><li>· Energy Productivity</li><li>· Greenhouse Gas Emissions</li><li>· Particulate Matter</li><li>· Water Usage</li><li>· Waste Generation</li><li>· Material Recycling</li><li>· Biodiversity Protection</li><li>· Renewable Energy</li></ul> <b>Global Environmental Protection</b> <ul style="list-style-type: none"><li>· Global Environmental Policy</li><li>· Multilateral Environmental Agreements</li><li>· Kyoto Participation and Achievements</li></ul> |

| Category                                                                                                             | Quality of Democracy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Executive Capacity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Executive Accountability                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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| <b>Criterion</b> <ul style="list-style-type: none"><li>· Indicator</li><li>· Indicator</li><li>· Indicator</li></ul> | <b>Electoral Processes</b> <ul style="list-style-type: none"><li>· Candidacy Procedures</li><li>· Media Access</li><li>· Voting and Registration Rights</li><li>· Party Financing</li><li>· Popular Decision-Making</li></ul> <b>Access to Information</b> <ul style="list-style-type: none"><li>· Media Freedom</li><li>· Media Pluralism</li><li>· Access to Government Information</li></ul> <b>Civil Rights and Political Liberties</b> <ul style="list-style-type: none"><li>· Civil Rights</li><li>· Political Liberties</li><li>· Non-discrimination</li></ul> <b>Rule of Law</b> <ul style="list-style-type: none"><li>· Legal Certainty</li><li>· Judicial Review</li><li>· Appointment of Justices</li><li>· Corruption Prevention</li></ul> | <b>Strategic Capacity</b> <ul style="list-style-type: none"><li>· Strategic Planning</li><li>· Scholarly Advice</li></ul> <b>Interministerial Coordination</b> <ul style="list-style-type: none"><li>· GO Expertise</li><li>· GO Gatekeeping</li><li>· Line Ministries</li><li>· Cabinet Committees</li><li>· Ministerial Bureaucracy</li><li>· Informal Coordination</li></ul> <b>Evidence-based Instruments</b> <ul style="list-style-type: none"><li>· RIA Application</li><li>· Quality of RIA Process</li><li>· Sustainability Check</li></ul> <b>Societal Consultation</b> <ul style="list-style-type: none"><li>· Negotiating Public Support</li></ul> <b>Policy Communication</b> <ul style="list-style-type: none"><li>· Coherent Communication</li></ul> | <b>Implementation</b> <ul style="list-style-type: none"><li>· Government Efficiency</li><li>· Ministerial Compliance</li><li>· Monitoring Ministries</li><li>· Monitoring Agencies/Bureaucracies</li><li>· Task Funding</li><li>· Constitutional Discretion</li><li>· National Standards</li></ul> <b>Adaptability</b> <ul style="list-style-type: none"><li>· Domestic Adaptability</li><li>· International Coordination</li></ul> <b>Organizational Reform</b> <ul style="list-style-type: none"><li>· Self-monitoring</li><li>· Institutional Reform</li></ul> | <b>Citizens' Participatory Competence</b> <ul style="list-style-type: none"><li>· Policy Knowledge</li><li>· Voicing Opinion to Officials</li><li>· Voter Turnout</li></ul> <b>Legislative Actors' Resources</b> <ul style="list-style-type: none"><li>· Parliamentary Resources</li><li>· Obtaining Documents</li><li>· Summoning Ministers</li><li>· Summoning Experts</li><li>· Task Area Congruence</li><li>· Audit Office</li><li>· Ombuds Office</li></ul> <b>Media</b> <ul style="list-style-type: none"><li>· Media Reporting</li><li>· Newspaper Circulation</li><li>· Quality Newspapers</li></ul> <b>Parties and Interest Associations</b> <ul style="list-style-type: none"><li>· Intra-party Democracy</li><li>· Association Competence (Business)</li><li>· Association Competence (Others)</li></ul> |

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### Design

kopfstand, Bielefeld

### Translation and Editing

Barbara Serfozo, Berlin

### Print

Druckhaus Rihn GmbH, Blomberg

# SGI Studies and SGI News

In addition to working with academic experts in the field, we also work with journalists and bloggers who use our data in their commentary and reports on sustainable governance in a variety of countries. We engage in media partnerships for these reports, providing graphics, expert interviews and other informative support. Our media partners can be linked to our SGI News blog.



## Sustainable Development Goals: Are the rich countries ready?

The Millennium Development Goals have led to tangible progress in many developing countries. Once adopted, the United Nations' new global Sustainable Development Goals will additionally require industrialized countries to implement such standards beginning in 2016. But the world's first comprehensive stocktaking shows that most industrialized nations are a long way from serving as role models for sustainable development.



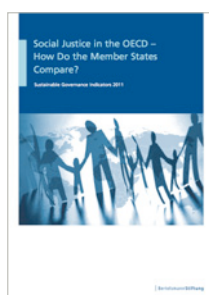
## Social Justice in the EU

Based on quantitative and qualitative SGI data, the Social Justice Index compares the 28 EU states across six dimensions: Poverty prevention, equitable education, labor market access, social cohesion and non-discrimination, health, as well as intergenerational justice. It reveals that EU countries vary considerably in their ability to create a truly inclusive society.



## Sustainable Governance in the OECD and EU – How Does Germany compare?

Based on the detailed set of quantitative and qualitative indicators used in the SGI project, this study provides a comprehensive assessment of Germany's strengths and weaknesses in terms "Sustainable Governance". By looking at Germany's policy performance, quality of democracy and governance capacities, the study sheds light on the country's need for reform and its reform capacities.



### Social Justice in the OECD – How Do the Member States Compare?

This study is just one illustration of the range of possibilities offered by the Sustainable Governance Indicators' vast pool of data. Published initially in early 2011, this study examined and compared the state of social justice in 31 OECD countries, combining selected SGI indicators with established social science methods to create a new index of social justice.



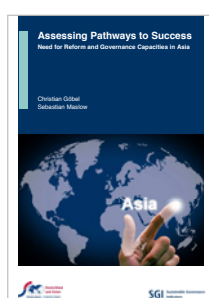
### Intergenerational Justice in Aging Societies

How well do the OECD states live up to the principles of intergenerational justice? How clearly can such principles be measured? How can decision-makers develop policies that address issues relevant to aging societies without pitting the interests of older and younger generations against each other? What are the policymaking lessons that can be drawn from cross-national comparisons? This study provides evidence-based answers to these questions.



### Sustainable Governance in the BRICS

The BRICS states have in recent years attracted much attention as emerging political and economic global players. But how sustainable is such rapid growth and development? How effective is governance in each of these states? This SGI study addresses these and other questions relevant to governance research.



### Asia Study

Though often overshadowed by the attention paid to economic growth in China and India, growth in other Asian economies such as Indonesia, Japan, Malaysia, Singapore, South Korea and Vietnam has made the region a driving force of the global economy. This regional study asks which features of governance have driven economic growth in each country, how sustainable they are, and the extent to which democratic principles influence decision-making.

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- **Facebook:** [www.facebook.com/pages/SGI-Sustainable-Governance-Indicators](https://www.facebook.com/pages/SGI-Sustainable-Governance-Indicators)
- **Showreel Sustainable Governance Indicators 2016:** [www.youtube.com/watch?v=MDALrtobRUC](https://www.youtube.com/watch?v=MDALrtobRUC)



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